

9 February 1962

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CENTRAL

INTELLIGENCE

BULLETIN



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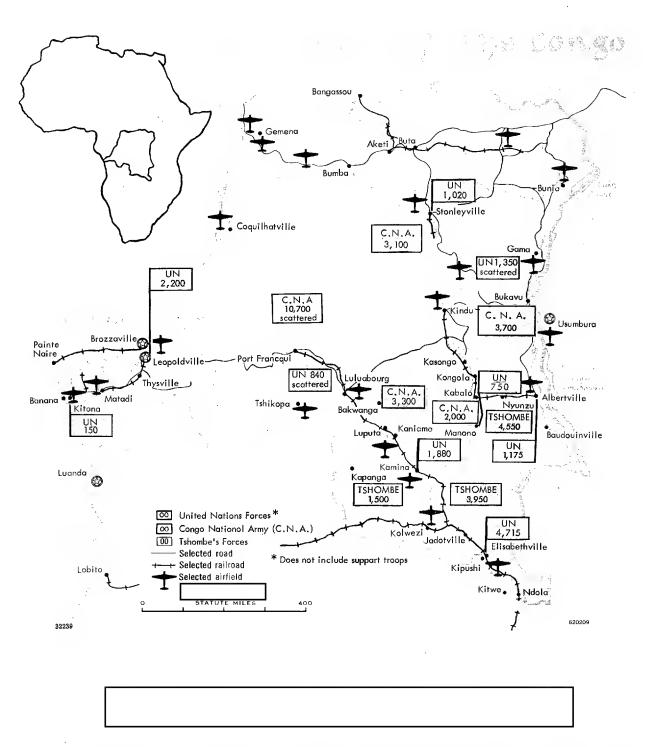
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9 February 1962

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*Indonesia-Netherlands://The Indonesian Government appears about to conclude that there is no hope of achieving a peaceful settlement of the West New Guinea dispute, according to the US ambassador. Djakarta seems to regard the 25X1 12-18 February visit of Attorney General Kennedy as the final opportunity to persuade the United States to support the Indonesians. The Indonesians assert war is inevitable if the Dutch maintain their present position. While there is some evidence that The Hague is responding to increasing domestic and international pressures to adopt a more flexible position in the dispute, the De Quay government remains unwilling to commit itself to the transfer of administration over West New Guinea prior to opening negotiations as demanded by Indonesia. Once talks are under way between the two countries, US officials in The Hague believe there is a chance that these pressures will allow the Dutch to agree to some form of Indonesian administration in the terri-25X1 tory. Congo: The US Consulate in Elisabethville is apprehensive over stepped-up UN pressure on Tshombe concerning the 25X1 expulsion of foreign mercenaries. Although Tshombé has agreed to permit freedom of movement for joint UN-Katangan inspection teams in their search for mercenaries who may not have left the Congo, two senior UN officials from Leopoldville arrived in Elisabethville on 6 February to urge that Tshombé take "concrete" action with respect to such mercenaries, and set an early date for their expulsion. The newly appointed UN representative in Elisabethville, Jose Rolz-Bennet, says UN headquarters in New York is "impatient" over delays in implementing UN resolutions concerning Katanga. He added that the UN was considering moving military contingents to Jadotville and Kolwezi simultaneously with the inspection teams. The consulate characterizes Rolz-Bennet's haste as "dangerous

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DAILY BRIEF

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	Tshombé and the UN (Backup, Page 3) (Map)	25X ⁻
25X1	*West Germany - USSR: The Bonn Foreign Ministry under secretary has told American officials that his governme has decided to reply to the 27 December Soviet memorandun and hopes to have a draft ready by the end of February. We	nt 1
25X1	German officials considered the memorandum, which has be published in the West German press, as friendly in tone and said that it held out the prospect of significant economic and political advantages if Bonn would seek a "normalization" of	
	relations with Moscow. The West Germans believe that unle they respond, internal pressures, stimulated by Soviet urgin will continue to build up for bilateral talks with Moscow. According to the under secretary, Foreign Minister Schroeder opposes Bonn's engaging in bilateral talks with the USSR be- cause such talks would support the Soviet tactic of withdraws from quadripartite responsibility for Berlin. Schroeder als considers that, unlike the US, Bonn could not deal with Moscon an equal footing and furthermore would be subject to "green"	ng, e- ing o cow
5X1	pressures" from the British to make "intolerable concession Backup, Page 4	18/1
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25X1	British Guiana: Growing discontent aroused by the 1962 budget of Premier Jagan's Communist-oriented government is	
	being exploited by opposition political and labor leaders to organize a civil disobedience campaign of strikes, slowdowns,	
	and mass meetings which could lead to extensive violence. The campaign's major effort is scheduled to coincide with the planned resumption of the budget debate in the legislature on 12 Febru-	
	ary. Jagan was roughed up by a crowd on 7 February, the first day of the Duke of Edinburgh's visit. Meanwhile, the two main	
	opposition political leaders, hitherto bitter enemies, are reportedly beginning to work together, thus presenting the first serious challenge to the Jagan government's control over the	
25X1	legislature 1	25X1
	Pakistan: The government has arrested three former cab-	
	inet ministers and some 200 others in East Pakistan as it continues its efforts to curb antiregime agitation, thus far appar-	
	ently still confined to university students at Dacca. Police and	
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	military units are containing the unrest, and opposition efforts to close all shops in Dacca apparently have met with little response.	25X1 25X1
25X1	SELECTED INTELLIGENCE REPORTS AND ESTIMATES	
25X1	Available during the preceding week Iraq: An Assessment of the Political and Economic Outlook for the Next Year. U.S.I.B. NIE 36.2-62. 31 Jan 62	
	Relative Military Capabilities of Opposing Forces in Laos: An Estimate. U.S.I.B. SNIE 58/1-62. 31 Jan 62/	25X1
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Congo

The UN appears to be preoccupied with the problem of Katangan mercenaries. Although there are no reliable figures on the number of mercenaries still in Katanga, the number probably does not exceed 200. Many are believed to have left Katanga since the latest cease-fire; others are reported to be seeking civilian positions with the Union Miniere mining combine.

General Sean McKeown, the senior UN military commander in the Congo, indicated to the US charge in Leopoldville on 5 February that the UN command was proceeding with contingency planning for new fighting in Katanga. McKeown stated that he did not envision any action against Kipushi, and that UN plans were based on the assumption that Elisabethville itself would remain relatively quiet. He stated that the principal target would be Jadotville, and indicated that any move against Jadotville would have to include action to cut off the city from Katangan forces in Kolwezi. Rolz-Bennet's apparent desire that UN troops "accompany" joint inspection teams to Jadotyille and Kolwezi may be related to such contingency planning. characterized recently arrived Ghanaian troops as heavily indoctrinated politically bevalong pro-Lumumba and pro-Soviet lines. eral officers of the Ghanaian battalion had received training in the bloc, and that some officers stated that they expected to receive Soviet weapons soon. professionally the Ghanaian battalion was not of a high caliber, and that newly promoted officers were not competent in their new jobs.

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West German Reactions to Soviet Memorandum

The Soviet memo has stirred intense discussion in West German public and official circles. The US Embassy commented early in January that the USSR had planted a "sleeper" which, if exploited, could be a factor in German politics for some time to come. There are increasing signs of support in the Foreign Ministry, as well as in the Bundestag and press, for a cautious West German exploration of the Soviet offerwith allied concurrence. The Soviet Embassy in Bonn has hinted that Khrushchev might respond favorably to an invitation to visit Bonn.

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Bonn leaders generally reacted negatively to the Soviet appeal for a reorientation of the Federal Republic toward the East. The coalition Free Democratic party (FDP), at which the Soviet memo may have been particularly aimed because of the FDP's past interest in closer relations with the bloc, did not join the two major parties in their rejection of the Soviet offer. Its chairman publicly advocated direct Soviet - West German talks on Berlin on the ground that there should be a "division of labor" in this matter among the Allies.

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Possible Violence in British Guiana

The 1962 budget presented last month is stirring up opposition. Local merchants, already concerned by restrictions on the export of capital, consider the tax provisions a confiscatory first step toward a Communist state. Wage earners are distressed by the compulsory savings plan and by the increased tariffs which have already raised the prices of basic commodities.

This discontent may be becoming strong enough to cut across the traditional East Indian vs. Negro racial and political alignments which contributed heavily to the electoral victory of Jagan's People's Progressive party (PPP) last August. There are indications that Jagan's traditional support among the East Indian agricultural workers may be waning. Anti-Jagan labor leader Ishmael is reportedly bringing sugar workers into Georgetown in an attempt to prevent the legislative debate on 12 February by picketing. The secretary general of the largely Negro People's National Congress (PNC) has informed the US Consulate General that preliminary negotiations for a joint bid for power with the multiracial United Force--which the PNC has hitherto vehemently attacked--are under way and that some influential East Indians have also approached PNC leader Forbes Burnham presumably to offer their support.

Of the 35 seats in the legislature, Jagan's government has 19 and the opposition has 15. The election of the 20th PPP legislator was nullified for electoral corruption. Jagan is unlikely to be overthrown in Parliament now, but his government might fall if the opposition parties cooperate effectively and the government's political and economic difficulties encourage sufficient defections among his legislative representatives over the next few months,

Opposition plans call for a civil servants' strike and other strikes and slowdown actions; opposition and labor leaders hope to avoid violence, but they may be unable to prevent disturbances. Extensive disorders could, however, persuade the British to give

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THE PRESIDENT The Vice President Executive Offices of the White House Special Counsel to the President Military Representative of the President The Special Assistant for National Security Affairs The Scientific Adviser to the President The Director of the Budget The Director, Office of Civil and Defense Mobilization The Director, National Aeronautics and Space Administration The Department of State The Secretary of State The Under Secretary of State The Under Secretary of State for Political Affairs The Deputy Under Secretary of State for Political Affairs The Counselor and Chairman of the Policy Planning Council The Director of Intelligence and Research The Treasury Department The Secretary of the Treasury The Under Secretary of the Treasury The Department of Defense The Secretary of Defense The Deputy Secretary of Defense The Secretary of the Army The Secretary of the Navy The Secretary of the Air Force The Assistant Secretary of Defense (International Security Affairs) The Assistant Secretary of Defense The Chairman, The Joint Chiefs of Staff Chief of Naval Operations, United States Navy Chief of Staff, United States Air Force Chief of Staff, United States Army Commandant, United States Marine Corps U.S. Rep., Military Committee and Standing Group, NATO Supreme Allied Commander, Europe Commander in Chief, Pacific The Director, Defense Intelligence Agency The Director, The Joint Staff The Director for Intelligence, The Joint Staff The Assistant Chief of Staff for Intelligence, Department of Army The Director of Naval Intelligence, Department of Navy The Assistant Chief of Staff, Intelligence, Department of the Air Force The Department of Justice The Attorney General The Federal Bureau of Investigation The Director The Atomic Energy Commission The Chairman The National Security Agency The Director The United States Information Agency The Director The National Indications Center The Director

